DEPARTMENT OF THE NAVY
NAVAL AIR SYSTEMS COMMAND
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NAVAIR INSTRUCTION 5400.155

From: Commander, Naval Air Systems Command

Subj: DESIGNATION OF THE MANUFACTURING RESOURCE PLANNING (MRP II) PROGRAM MANAGER AIR (PMA203)

Ref: (a) DoDD 5000.1, Defense Acquisition of 15 Mar 96 w/CH 1
　　 (b) DoD Regulation 5000.2-R, Mandatory Procedures for Major Defense Acquisition Programs (MDAPs) and Major Automated Information System (MAIS) Acquisition Programs of 15 Mar 96 w/CHs 1-4
　　 (c) SECNAVINST 5400.15A, Department of the Navy Research, Development, and Acquisition, and Associated Life Cycle Management Responsibilities of 26 May 95
　　 (d) SECNAVINST 5000.2B, Implementation of Mandatory Procedures for Major and Non-major Defense Acquisition Programs and Major and Non-major Information Technology Acquisition Programs of 6 Dec 96
　　 (e) Integrated Program Team Manual Update of Dec 96 (NOTAL)

Encl: (1) Charter for MRP II Program Manager Air (PMA203)

1. <u>Purpose</u>. To stand up the Manufacturing Resource Planning (MRP II) Program Manager Air (PMA203) office under the direction of the Commander, Naval Air Systems Command (COMNAVAIRSYSCOM), and to issue a PMA charter, enclosure (1). The charter provides a description of the MRP II Program and its scope, operating relationships, organization, and resources needed to manage and support the program.

2. <u>Background</u>. On 21 July 1995, the Deputy Under Secretary of Defense (Logistics) (DUSD(L)) approved commercial-off-the-shelf (COTS) MRP II as the maintenance, repair, and overhaul (MRO) management migration system for the Navy and Marine Corps. The Joint Logistics Systems Center (JLSC) conducted a full-and-open competition and awarded the MRP II contract to Western Data Systems (WDS) in September 1996. Options are available in the contract that allow Army and Air Force depot implementation of WDS MRP II software, in addition to the participating Navy and Marine Corps sites. Between April and June 1997, a series of meetings were held among the JLSC, the Air Force Program Executive Officer for Joint Logistics (AFPEO/JL), DUSD(L), the Assistant Secretary of Defense Command, Control, Communication and Intelligence (ASD(C3I)), and the services that led to the decision to transfer program management responsibility of JLSC projects to the services. MRP II management transferred to the Navy. A memorandum of agreement (MOA) between the JLSC and the Naval Air Systems Command (NAVAIR) dated 30 December 1997 transferred MRP II program management responsibility to the Assistant Commander for Industrial Operations (AIR-6.0). During fiscal year (FY) 98-99 time period, MOAs between NAVAIR and supported services
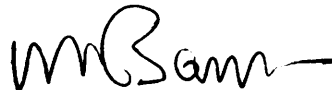
(United States Air Force (USAF), Aerospace Maintenance and Regeneration Center (AMARC); United States Marine Corps (USMC), Marine Corps Logistics Bases (MCLBs)) were attempted but not concluded. A decision was subsequently made in FY 99 to place MRP II under program management control, thereby creating PMA203, accountable to the Deputy Commander for Acquisition and Operations (AIR-1.0). Separately, in an Assistant Secretary of the Navy, Research Development and Acquisition (ASN(RD&A)) memorandum dated 7 December 1998, Milestone Decision Authority (MDA) of the MRP II program was transferred from ASN(RD&A) to the Deputy Assistant Secretary of the Navy (C4I/EW/SPACE). Transfer of MRP II program management responsibility within NAVAIR from AIR-6.0 to AIR-1.0 and PMA203 was completed in FY 00.

3. <u>Action</u>. The program manager (PM) shall execute program management responsibilities pursuant to references (a) through (e), enclosure (1), and other applicable directives issued by higher authority. The PM reports directly to AIR-1.0, who provides program management direction when appropriate and within broad guidelines, and who exercises fitness report responsibility over the PM. NAVAIR competencies will support the PM as required.

4. <u>Review</u>. PMA203 shall review the contents herein annually and provide recommendations for additions and/or deletions to AIR-1.0.

5. <u>Approval</u>. The charter for PMA203, enclosure (1), is hereby approved.

W. M. BALDERSON
Deputy Commander for
Acquisition and Operations

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SNDL: FKA1A (AIR-1.1.1B, PMA203(5 copies), AIR 6.0 (1 copy), AIR 6.3 (3 copies),
AIR-7.1.1.2 (5 copies), AIR-7.5 (1 copy))

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**CHARTER FOR THE
MANUFACTURING RESOURCE PLANNING (MRP II)
PROGRAM MANAGER AIR (PMA203)**

Attachments:
A. MRP II Program Organization
B. Identified Participants in the MRP II Program
C. Other Key Manpower Resources

1. Introduction

a. Purpose. This charter initiates the authority and responsibilities of the Manufacturing Resource Planning (MRP II) Program Manager Air (PMA203) office; and outlines the program description, scope, authority, responsibilities, operating relationships, organization, staffing, and resources.

b. References. PMA203 shall execute assigned responsibilities following the management principles identified in references (a) through (e) and other applicable directives issued by higher authority.

2. Program Description. The Deputy Under Secretary of Defense (Logistics) (DUSD(L)) approved MRP II as the maintenance, repair, and overhaul (MRO) management migration system in July 1995 based on a recommendation from the Joint Service Feasibility Working Group (JSFWG). A commercial off-the-shelf (COTS) MRP II software package was selected through full-and-open competition in September 1996. Western Data Systems (WDS), Calabasas, CA, was awarded a contract allowing for purchase of up to seventeen site licenses of their *Compass*CONTRACT® software for the Navy, Marine Corps, Air Force, and Army. The software package provides a complete, standardized, and automated reparables management system that includes business planning, production planning, master production scheduling, material requirements planning, capacity requirements planning, and the execution support systems for capacity and material.

a. The Department of Defense (DoD) MRP II Program Management Office (PMO) is vested with the authority, accountability, and resources necessary to manage the acquisition, initial installation, training, and sustainment aspects of the program while the services are responsible for all implementation activities. The DoD MRP II PMO function is funded on a reimbursable basis with Service Working Capital Funds. Tasks are performed by the PMO solely based on funding received from the services.

b. The objective of the MRP II Program is to provide the framework and tools that enable the depots to:

(1) Increase control over operations.

(2) Optimize inventory levels.

Enclosure (1)

(3) Optimize work-in-process levels.

(4) Increase financial visibility and control.

(5) Improve capacity analysis and workload prioritization.

(6) Improve production and scheduling responsiveness.

(7) Improve productivity and throughput.

3. <u>Program Scope</u>. The scope of this charter includes program management, acquisition management, and sustainment of MRP II in the DoD depot environment.

4. <u>Authority and Responsibilities</u>. The PM is vested with the authority, accountability, and resources necessary to manage the acquisition, initial installation, training, and sustainment aspects of the MRP II Program while the services are responsible for all implementation activities. This authority includes assignment of responsibility, as appropriate, to all elements of NAVAIR within the overall framework outlined in reference (e) and by the established Competency Aligned Organization (CAO). The PM is the single central executive responsible for successfully managing the MRP II program. The PM will be assisted by the Principal Deputy Program Manager (PDPM), who will be in an acting capacity during absence of the PM. The PM shall designate, in writing, the PDPM for the MRP II Program. In the absence of the PM, the PDPM shall perform the duties assigned by paragraph 4a below. This authority includes assignment of responsibility, as appropriate, to all elements of NAVAIR within the scope of the MRP II program to plan, direct, control, and use resources not only for the approved programs, but also for related in-house programs and contractor efforts. As the responsible executive, the PM shall act on initiatives that affect the program. When actions are required beyond the authority granted in this charter, the PM shall refer the action to the Deputy Commander for Acquisition and Operations (AIR-1.0) along with options available and a recommended course of action.

a. <u>Program Manager's responsibilities include</u>:

(1) Respond to the needs of the customers.

(2) As manager of an ACAT-IAC program, perform program management and acquisition responsibilities following reference (b) and other pertinent instructions.

(3) Perform core activities to include program management and reporting, program planning and control, contracts planning and execution, and systems engineering during the acquisition phase of the MRP II Program.

(4) Take action during the acquisition, initial installation, training, and sustainment phases of the MRP II Program to reduce costs. Consider system investment and improvement actions that will improve performance and/or reduce overall costs in keeping with Navy Total Ownership Cost (TOC) direction.

(5) Provide a DoD Configuration Management process to perform configuration management of requirements, software revisions, releases, and supporting documentation.

(6) Provide a DoD Risk Management Plan.

(7) Collect implementation metrics to track progress and issues concerning MRP II implementation and associated funding profiles.

(8) Ensure MRP II *Compass*CONTRACT® is in accordance with compliance regulations to include C2/Common Criteria Security, and Defense Information Infrastructure/Common Operating Environment (DII/COE).

(9) Provide staff necessary to manage MRP II as an ACAT-IAC DoD joint acquisition program.

(10) Prepare cost estimates based on DoD Depot requirements.

(11) Perform Contracting Officers Representative (COR) responsibilities on the MRP II *Compass*CONTRACT® acquisition contract and other related contracts. Manage the software acquisition and maintenance contract(s) with the vendor to include licensing and maintenance agreements, contract planning, and execution tracking. Facilitate problem resolution relating to the MRP II *Compass*CONTRACT® software suite.

(12) Maintain liaison with service implementation site points of contact.

(13) Maintain a library for the MRP II Program.

(14) Chair the MRP II Government User Group, facilitate discussions on the technical and functional aspects of the system, discuss proposed changes to the MRP II *Compass*CONTRACT® software suite with the inter-service community, and share "lessons learned".

(15) Coordinate functional systems acceptance and beta testing of MRP II Com*pass*CONTRACT® software enhancements.

(16) Maintain liaison with external agencies that influence inter-service policy and procedures as related to MRP II. Participate in professional societies and interact with the ERP/MRP user community at-large in order to stay abreast of the latest developments.

(17) Capture and disseminate "lessons learned"/ best business practices from individual site implementation activities.

b. Working with the CAO, the PM shall assign appropriate personnel to Integrated Program Teams (IPTs). The PM shall designate all level one IPT leaders, and shall lead the MRP II Integrated Program Leadership Team in the execution of their responsibilities. IPT charters shall be created and kept current by the PM.

 c. The PM is responsible for developing a Program Operating Guide (POG) to document how the PMO conducts its business.

5. <u>Limitation of Authority</u>

 a. The PM does not have authority to deviate from policy established by higher authority.

 b. Communication, action, or inaction, in any form, which contractors may interpret as direction shall be conducted only through an appropriately assigned contracting officer.

6. <u>Relationship to Chartering Authority</u>. The PM receives authority from and is directly responsible and accountable to AIR-1.0 for discharge of the responsibilities for the MRP II Program. The PM reports directly to AIR-1.0 and is responsible for monitoring and evaluating the mission and performance for the program throughout its life cycle, making recommendations as appropriate, and advising AIR-1.0 of program status and progress. AIR-1.0 reports directly to COMNAVAIRSYSCOM and has been delegated program executive acquisition authority by COMNAVAIRSYSCOM for naval aviation acquisition programs assigned to NAVAIR. COMNAVAIRSYSCOM reports directly to the ASN(RD&A) for all matters pertaining to research, development, and acquisition for assigned programs, and to Chief of Naval Operations (CNO) and Commandant of the Marine Corps (CMC) respectively for the execution of their non-development, non-acquisition logistics, and operating forces support responsibilities.

7. <u>Specific Interface and Operating Relationships</u>. The PM shall:

 a. Maintain active liaison with the Milestone Decision Authority (MDA), Deputy Assistant Secretary of the Navy (DASN(C4I/EW/SPACE)), as appropriate, in keeping with reference (a).

 b. Coordinate appropriate interface/integration segments of the program with the user community to include PMAs, Systems Commands (SYSCOMs) and NAVAIR competencies to ensure a totally coordinated effort and overall systems integration.

 c. Serve as the Naval Aviation Systems Team's (TEAM's) primary point of contact with higher authority and organic depot users in matters related to the MRP II Program.

 d. Review acquisition logistics and support provided by the program IPTs and other participating organizations to ensure support is compatible with the approved program and operational objectives. This includes performance enhancements, and operational and maintenance support for assigned systems.

 e. Assess periodically the cost of ownership of the acquisition program. When issues are identified, initiate corrective actions utilizing available program resources.

 f. Inform the appropriate management officials, via the chain of command, if failures occur which affect system capabilities, components, or related equipment.

g. Represent the DoD in matters associated with the MRP II Program as they relate to relationships with U. S. Armed Services and civilian agencies, and foreign governments including those allied by treaty with the U. S. Government.

h. Respond to international program requirements.

8. <u>Program Staffing and Organization. The program office shall be</u> organized by, and function under direction of the PM. The program organization is provided as Attachment (A) to this charter.

9. <u>Participating Organizations</u>

a. <u>NAVAIR</u>. All elements of NAVAIR will support the PM. The PM is authorized direct liaison with all NAVAIR organizational elements in fulfilling assigned responsibilities.

b. <u>NAVAIR Depot Activities. Activities participating in the</u> execution of the program are listed in Attachment (B).

c. <u>Non-NAVAIR Organizations</u>. Participation by activities not under NAVAIR control shall be coordinated with cognizant headquarters organizations. Known non-NAVAIR activities participating in the program are listed in Attachment (B).

d. <u>Administrative Support</u>. PMA203 will be administratively supported by NAVAIR (see Attachment (C)). This support will include military/civilian personnel services, space allocations, security, information management, and other services. The Human Resources Office, Patuxent River, MD will administer coordination of civilian personnel services. PMA203 will be responsible for providing administrative support and supervisory functions for NAVAIR or other Service personnel who are assigned to the MRP II Program.

10. <u>Congressional and Public Information</u>. NAVAIR is responsible for coordinating and disseminating public information on the program within the Department of the Navy, to legislative bodies, industry, and to the general public. This responsibility has been delegated to the Congressional Liaison Office (AIR-7.0D) and the Public Affairs Department (AIR-7.5).

11. <u>Resource Assessment</u>. The PM will evaluate and document the effect of proposals to increase or decrease the resources authorized to execute the program and will determine the effect of proposed changes to approved cost, schedules, procurement plans, and performance objectives. The PM's evaluation will be considered by the officials having final decision authority during programming, reprogramming, and budgeting deliberations. DASN(C4I/EW/SPACE) shall be informed, via chain of command, of any instance where requirements of the program cannot be completed within the resources and time available.

12. <u>Program Charter Cancellation</u>. This charter shall remain in effect as long as a valid requirement exists for the MRP II Program. This program shall be reviewed periodically to determine if the program has accomplished its objectives. If the review indicates the objectives have been or are about to be accomplished, then with the approval of the Deputy Commander for

Acquisition and Operations (AIR-1.0) and Deputy Assistant Secretary of the Navy (DASN(C4I/EW/SPACE)), a transition plan shall be developed to ensure a smooth disposition of remaining resources, responsibilities, and functions.

MRP II PROGRAM ORGANIZATION

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                    │      PMA203         │
                    │  Program Manager    │
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                    │     PMA203A         │
                    │     Principal       │
                    │ Deputy Program      │
                    │     Manager         │
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      ┌─────────────────┐      │      ┌─────────────────────┐
      │   Secretary     ├──────┼──────┤ Business Financial  │
      │   PMA203S       │      │      │     Manager         │
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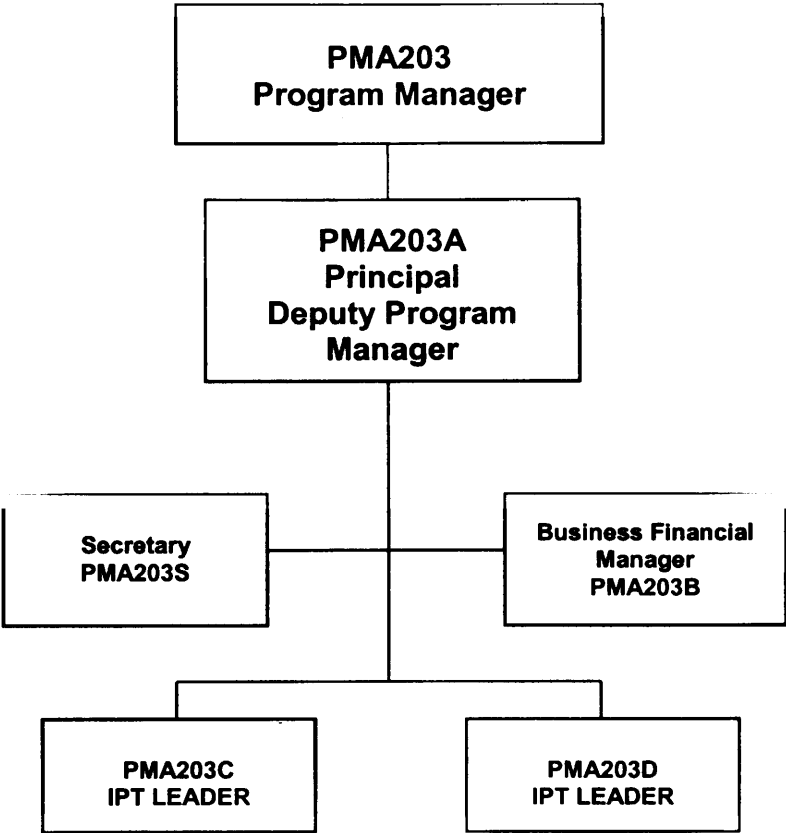
IDENTIFIED PARTICIPANTS IN MRP II PROGRAM

Naval Air Systems Command (NAVAIR)

1. Naval Aviation Depot (NAVAVNDEPOT) Jacksonville, Florida
2. Naval Aviation Depot (NAVAVNDEPOT) Cherry Point, North Carolina
3. Naval Aviation Depot (NAVAVNDEPOT) North Island, San Diego, California

Marine Corp Logistics Bases (MCLB)

1. Marine Corps Logistics Base (MCLB) Albany, Georgia
2. Marine Corps Logistics Base (MCLB) Barstow, California

Naval Sea Systems Command (NAVSEASYSCOM)

1. Norfolk Naval Shipyard, Portsmouth, Virginia
2. Puget Sound Naval Shipyard, Bremerton, Washington
3. Portsmouth Naval Shipyard, Portsmouth, New Hampshire
4. Pearl Harbor Naval Shipyard, Pearl Harbor, Hawaii

Air Force Air Logistic Centers

1. Aerospace Maintenance and Regeneration Center (AMARC), Davis-Monthan Air Force Base, Arizona
2. Ogden Air Logistics Center (ALC), Hill Air Force Base, Utah
3. Oklahoma City Air Logistics Center (ALC), Tinker Air Force Base, Oklahoma
4. Warner Robins Air Logistics Center (ALC), Robins Air Force Base, Georgia

Army Depots

1. Tobyhanna Army Depot, Tobyhanna, Pennsylvania
2. Corpus Christi Army Depot, Corpus Christi, Texas
3. Red River Army Depot, Texarkana, Texas
4. Anniston Army Depot, Anniston, Alabama

Attachment (B)
Enclosure (1)

OTHER KEY MANPOWER RESOURCES

Major Weapons Systems for Aircraft Support Contracts Department	AIR-2.5
Congressional Liaison Office	AIR-7.0D
Strategic Management Support Department	AIR-7.1
Information Management Department	AIR-7.2
Public Affairs Department	AIR-7.5
Counsel Department	AIR-7.7

Attachment (C)
Enclosure (1)